11/13/87 - S5624-2

New Mexico Labor Market Review

GARREY CARRUTHERS, GOVERNOR
NEW MEXICO DEPARTMENT OF LABOR
Paul M. Garcia, Secretary
Volume 16, No. 9, October 30, 1987
Prepared by
Economic Research and Analysis
P.O. Box 1928
Albuquerque, New Mexico 87103
(505) 841-8645

Official civilian labor force estimates for New Mexico, based largely on the U.S. Department of Labor's household labor force survey, have shown gradually declining unemployment so far this year but also virtually no change in the total number of persons with jobs. Nonagricultural wage & salary employment estimates, based on an employer payroll survey, have exhibited only moderate increases in overall employment. Both estimates, taken together, plainly indicate that the labor force in New Mexico has increased very little in the last year, and possibly even may have declined slightly. The State's unemployment rate was 8.3 percent in September, down from both the revised August rate of 8.5 percent and 8.9 percent one year ago. The U.S. unemployment rate (not seasonally adjusted) in September was 5.7 percent, compared with 5.8 percent in August and 6.8 percent in September 1986.

The monthly payroll survey of employers indicated an increase of 5,200 nonagricultural wage and salary jobs in New Mexico during September. The employment estimates are usually strongly affected this time of year by the start of the fall school term, and this year was no exception. There were approximately 6,300 more government jobs in September, as educational institutions rehired staff furloughed through the summer, and school bus contractors, classified in the passenger transportation sector, added about 1,000 jobs to their payrolls during the month. Conversely, workers were furloughed at the large summer camps in New Mexico, such as Philmont Scout Ranch and Glorieta Baptist Center, causing the sharp drop in services, under membership organizations. Construction employment was lower by almost 800 in September, which closely follows the usual drop in building activity this time of year.

In looking for bright spots in New Mexico's economy during September, at least three industry sectors stand out. Oil & gas employment again increased, the fourth consecutive month of small, gradual employment gains in the industry. Transportation equipment added jobs, also a continuation of a longer term hiring trend. And, employers in electronic equipment manufacturing reported hiring during September, which is good news because the industry had seen job losses earlier this year.

SEPTEMBER SUMMARY

	Prel.	Revised		Change From	
	Sep. 1987	Aug. 1987	Sep. 1986	Aug. 1987	Sep. 1986
Civilian Labor Force	671,800	673,100	678,300	-1,300	-6,500
Employment	615,800	616,100	618,000	- 300	-2,200
Unemployment	56,000	57,000	60,300	-1,000	-4,300
Rate	8.3%	8.5%	8.9%		

ESTIMATED NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT (JOBS)
(Prepared in cooperation with the U.S. Bureau of Labor Statistics)

NEW MEXICO	PRELIM SEP 1987	REVISED AUG 1987	REVISED SEP 1986	SEP CHANGE FROM AUG 1987	SEP CHANGE FROM SEP 1986
TOTAL NONAGRICULTURAL EMPLOYMENT 1/	539,700	534,500	531,300	5,200	8,400
MINING	15,300	15,200	15,100	100	200
Metal Mining	2,000	2,000	2,100	0	-100
Bituminous Coal, Quarrying etc	3,800	3,800	4,100	0	-300
Oil & Gas Extraction	9,500	9,400	8,900	100	600
CONSTRUCTION	35,100	35,900	36,500	-800	-1,400
MANUFACTURING	40,100	40,000	38,300	100	1,800
DURABLE GOODS	26,000	25,900	24,600	100	1,400
Lumber & Wood Products	2,900	3,000	2,900	-100	0
Machinery(except electric)	2,700	2,700	2,500	0	200
Elec & Electronic Equip	4,400	4,300	4,300	100	100
Transportation Equipment	5,200	5,100	4,300	100	900
Other Durable Goods	10,800	10,800	10,600	0	200
NONDURABLE GOODS	14,100	14,100	13,700	0	400
Food & Kindred Products	4,900	4,900	4,800	0	100
Textile & Apparel	2,600	2,600	2,400	0	200
Other Nondurable Goods	6,600	6,600	6,500	0	100
TRANSPORTATION & PUBLIC UTILITIES	28,900	27,900	29,600	1,000	-700
TRANSPORTATION	13,200	12,200	13,100	1,000	100
Railroad Transportation	2,000	2,100	2,300	-100	-300
Trucking & Warehousing	6,100	6,100	5,900	0	200
Other Transportation	5,100	4,000	4,900	1,100	200
COMMUNICATION & PUBLIC UTILITIES	15,700	15,700	16,500	0	-800
Communication	6,600	6,600	6,900	0	-300
Elec, Gas, & Sanitary Services	9,100	9,100	9,600	0	-500
WHOLESALE & RETAIL TRADE	131,700	131,600	128,900	100	2,800
WHOLESALE TRADE	22,700	22,500	22,400	200	300
Durable Goods	13,700	13,600	13,300	100	400
Nondurable Goods	9,000	8,900	9,100	100	-100
RETAIL TRADE	109,000	109,100	106,500	-100	2,500
Bldg Material & Mobile Homes	4,600	4,500	4,600	100	0
General Merchandise Stores	13,200	13,000	12,100	200	1,100
Food Stores	15,800	15,600	16,300	200	-500
Auto Dealers & Service Stations	13,800	13,700	13,300	100	500
Apparel & Accessories	5,400	5,500	5,300	-100	100
Furniture & Furnishing	4,600	4,600	4,400	0	200
Eating & Drinking Places	39,200	39,800	38,700	-600	500
Miscellaneous Retail	12,400	12,400	11,800	0	600
FINANCE, INSURANCE, & REAL ESTATE	27,400	27,500	26,600	-100	800
Banking	8,000	8,000	8,000	0	0
Insurance Carriers	3,800	3,800	3,600	0	200
Insur Agents, Brokers & Service	3,000	2,900	2,800	100	200
Real Estate	6,600	6,700	6,400	-100	200
Other Fin, Ins & Real Estate	6,000	6,100	5,800	-100	200
SERVICES	123,200	124,700	117,900	-1,500	5,300
Hotels & Other Lodging Places	12,600	12,900	11,800	-300	800
Personal Services	6,000	6,000	5,900	0	100
Business Services	29,200	29,200	27,700	0	1,500
Health Services	29,900	29,900	29,300	0	600
Legal Services	4,100	4,100	4,000	0	100
Educational Services	4,900	4,000	5,100	900	-200
Social Services	6,600	6,400	6,300	200	300
Membership Organizations	6,800	8,400	6,200	-1,600	600
Other Services	23,100	23,800	21,600	-700	1,500
TOTAL GOVERNMENT	138,000	131,700	138,400	6,300	-400
FEDERAL GOVERNMENT	31,100	31,400	30,100	-300	1,000
STATE & LOCAL GOVERNMENT	106,900	100,300	108,300	6,600	-1,400
State Government 2/	46,400	43,500	51,200	2,900	-4,800
Local Government	60,500	56,800	57,100	3,700	3,400

1/ Estimates include all full-time and part-time wage and salary workers who worked or received pay during the pay period which included the 12th day of the month. Self-employed, family workers, household workers and members of the Armed Forces are excluded.

2/ Includes employees of Los Alamos National Laboratory.

ALBUQUERQUE AREA (BERNALILLO COUNTY)

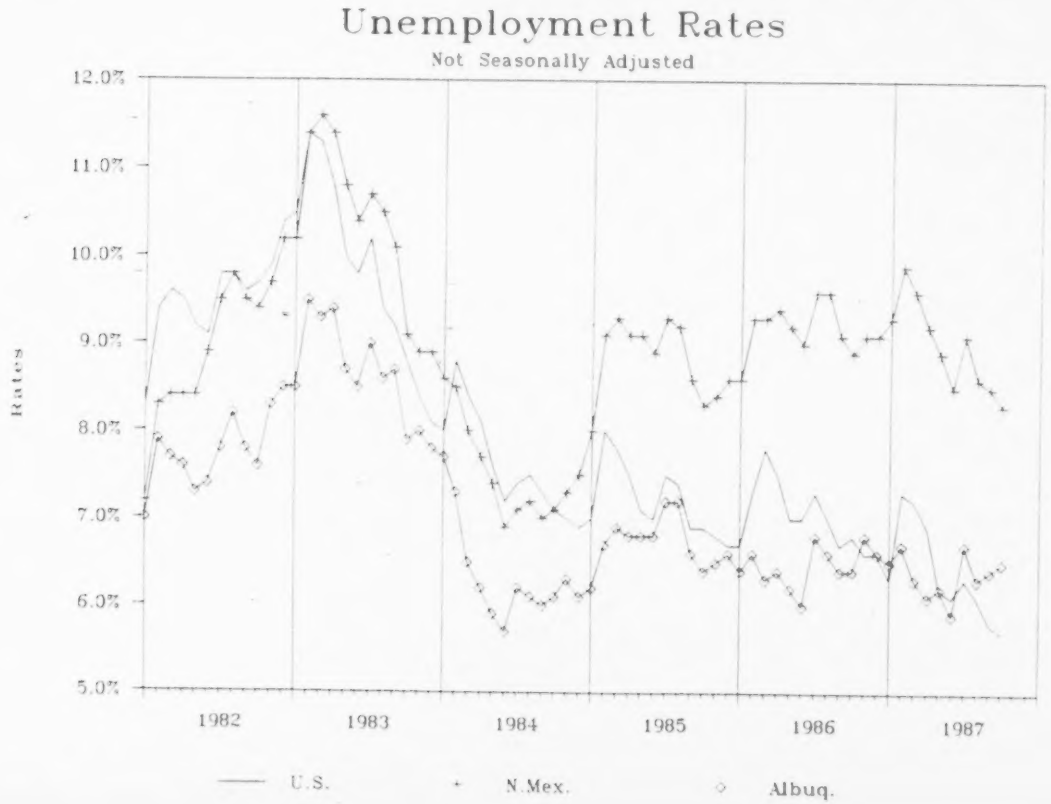
As was the case statewide, the Albuquerque labor force estimates for September reflected little change in either total employment or unemployment over the month. Albuquerque's jobless rate in September was 6.5 percent, up slightly from both August and one year ago. Albuquerque's unemployment rate remains considerably below that of the state, although not quite to the extent shown earlier in the year, mainly due to lower unemployment in oil & gas areas such as Lea and San Juan Counties.

The total number of payroll jobs in Albuquerque rose by 1,900 in September as jobs were added in government and in transportation. Educational institutions and school bus contractors were responsible for most of the increase as a new school year got underway. Also normal were the decreases reported in employment by construction firms and at membership organizations and restaurants. However, some hiring was reported during the month in retail trade, specifically in the general merchandise, building material and food store subsectors.

As the unemployment rate indicates, the Albuquerque economy is continuing to generally outperform most areas of the state. Over the last year, total payroll employment in Albuquerque increased by 5,300 jobs or 2.3 percent. Although this is subdued growth in comparison to some recent years, it is more substantial than the 1.6 percent gain shown statewide and virtually the same as the 2.4 percent growth exhibited nationally over the same period.

SEPTEMBER SUMMARY

	Prel.	Revised		Change From	
	Sep. 1987	Aug. 1987	Sep. 1986	Aug. 1987	Sep. 1986
Civilian Labor Force	256,400	254,000	255,200	+2,400	+1,200
Employment	239,700	237,800	238,800	+1,900	+ 900
Unemployment	16,700	16,200	16,400	+ 500	+ 300
Rate	6.5%	6.4%	6.4%		



ESTIMATED NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT (JOBS)
(Prepared in cooperation with the U.S. Bureau of Labor Statistics)

ALBUQUERQUE MSA (BERNALILLO COUNTY)	PRELIM SEPTEMBER 1987	REVISED AUGUST 1987	REVISED SEPTEMBER 1986	SEPTEMBER CHANGE FROM AUGUST 1987	SEPTEMBER CHANGE FROM SEPTEMBER 1986
TOTAL NONAGRICULTURAL EMPLOYMENT 1/	233,800	231,900	228,500	1,900	5,300
MINING	200	200	200	0	0
CONSTRUCTION	17,000	17,100	17,500	-100	-500
MANUFACTURING	19,800	19,900	19,800	-100	0
Durable Goods	14,100	14,100	14,200	0	-100
Nondurable Goods	5,700	5,800	5,600	-100	100
TRANSPORTATION & PUBLIC UTILITIES	12,600	12,200	12,500	400	100
Transportation	6,200	5,800	6,100	400	100
Communication	3,800	3,800	3,800	0	0
Elec, Gas, & Sanitary Services	2,600	2,600	2,600	0	0
WHOLESALE & RETAIL TRADE	61,100	61,100	58,800	0	2,300
WHOLESALE TRADE	14,300	14,300	14,000	0	300
Durable Goods	9,700	9,800	9,500	-100	200
Nondurable Goods	4,600	4,500	4,500	100	100
RETAIL TRADE	46,800	46,800	44,800	0	2,000
General Merchandise Stores	5,300	5,200	4,700	100	600
Food Stores	5,000	5,000	5,300	0	-300
Auto Dealers & Service Stations	5,100	5,100	4,900	0	200
Eating & Drinking Places	18,000	18,200	17,400	-200	600
Other Retail Trade	13,400	13,300	12,500	100	900
FINANCE, INSURANCE, & REAL ESTATE	14,900	15,000	14,300	-100	600
Banking	3,200	3,200	3,100	0	100
Ins Carriers, Agents & Brokers	4,300	4,300	4,000	0	300
Other Fin, Ins & Real Estate	7,400	7,500	7,200	-100	200
SERVICES	64,100	64,100	60,700	0	3,400
Hotels & Other Lodging Places	4,100	4,100	3,800	0	300
Personal Services	3,100	3,100	3,100	0	0
Business Services	21,000	21,000	19,700	0	1,300
Health Services	14,500	14,500	13,900	0	600
Social Services	3,200	3,100	2,700	100	500
Membership Organizations	1,600	1,900	1,600	-300	0
Other Services	16,600	16,400	15,900	200	700
TOTAL GOVERNMENT	44,100	42,300	44,700	1,800	-600
FEDERAL GOVERNMENT	13,000	13,100	12,600	-100	400
STATE & LOCAL GOVERNMENT	31,100	29,200	32,100	1,900	-1,000
State Government	11,000	10,100	13,200	900	-2,200
Local Government	20,100	19,100	18,900	1,000	1,200

1/ Estimates include all full-time and part-time wage and salary workers who worked or received pay during the pay period which included the 12th day of the month. Self-employed, family workers, household workers and members of the Armed Forces are excluded.

ESTIMATED NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT (JOBS)
(Prepared in cooperation with the U.S. Bureau of Labor Statistics)

LAS CRUCES MSA (DONA ANA COUNTY) 1/	PRELIM SEP 1987	REVISED AUG 1987	REVISED SEP 1986	SEP CHANGE FROM AUG 1987	SEP CHANGE FROM SEP 1986
TOTAL NONAGRICULTURAL EMPLOYMENT 2/	39,600	38,200	40,850	1,400	-1,250
MINING	50	50	50	0	0
CONSTRUCTION	2,800	2,900	2,700	-100	100
MANUFACTURING	3,500	3,400	3,550	100	-50
Durable Goods	1,300	1,300	1,250	0	50
Nondurable Goods	2,200	2,100	2,300	100	-100
TRANSPORTATION & PUBLIC UTILITIES	1,300	1,200	1,400	100	-100
Transportation	500	400	550	100	-50
Comm, Elec, Gas & Sanitary Svs	800	800	850	0	-50
WHOLESALE & RETAIL TRADE	7,900	7,900	7,750	0	150
WHOLESALE TRADE	800	800	800	0	0
RETAIL TRADE	7,100	7,100	6,950	0	150
General Merchandise Stores	900	900	900	0	0
Food Stores	1,050	1,050	1,000	0	50
Auto Dealers & Service Stations	1,000	1,000	900	0	100
Eating & Drinking Places	2,700	2,700	2,700	0	0
Other Retail Trade	1,450	1,450	1,450	0	0
FINANCE, INSURANCE, & REAL ESTATE	1,650	1,700	1,550	-50	100
SERVICES	6,200	6,250	5,650	-50	550
Hotels & Other Lodging Places	800	800	550	0	250
Business Services	1,350	1,400	1,050	-50	300
Health Services	1,750	1,750	1,650	0	100
Social Services	300	300	300	0	0
Other Services	2,000	2,000	2,100	0	-100
TOTAL GOVERNMENT	16,200	14,800	18,200	1,400	-2,000
FEDERAL GOVERNMENT	4,200	4,300	4,300	-100	-100
STATE & LOCAL GOVERNMENT	12,000	10,500	13,900	1,500	-1,900
State Government	6,400	5,400	9,100	1,000	-2,700
Local Government	5,600	5,100	4,800	500	800

SANTA FE MSA (SANTA FE & LOS ALAMOS COUNTIES) 1/	PRELIM SEP 1987	REVISED AUG 1987	REVISED SEP 1986	SEP CHANGE FROM AUG 1987	SEP CHANGE FROM SEP 1986
TOTAL NONAGRICULTURAL EMPLOYMENT 2/	54,850	55,650	53,800	-800	1,050
MINING	50	50	100	0	-50
CONSTRUCTION	3,300	3,400	3,500	-100	-200
MANUFACTURING	1,650	1,650	1,600	0	50
Durable Goods	1,050	1,050	1,000	0	50
Nondurable Goods	600	600	600	0	0
TRANSPORTATION & PUBLIC UTILITIES	1,150	1,100	1,150	50	0
Transportation	450	400	400	50	50
Comm, Elec, Gas & Sanitary Svs	700	700	750	0	-50
WHOLESALE & RETAIL TRADE	11,100	11,350	10,550	-250	550
WHOLESALE TRADE	700	750	700	-50	0
RETAIL TRADE	10,400	10,600	9,850	-200	550
General Merchandise Stores	1,050	1,000	950	50	100
Food Stores	1,950	2,000	1,700	-50	250
Auto Dealers & Service Stations	800	800	800	0	0
Eating & Drinking Places	4,000	4,200	3,900	-200	100
Other Retail Trade	2,600	2,600	2,500	0	100
FINANCE, INSURANCE, & REAL ESTATE	2,200	2,200	2,100	0	100
SERVICES	14,300	14,800	13,800	-500	500
Hotels & Other Lodging Places	2,100	2,200	2,000	-100	100
Business Services	3,200	3,200	3,200	0	0
Health Services	3,000	3,100	3,000	-100	0
Social Services	600	600	600	0	0
Other Services	5,400	5,700	5,000	-300	400
TOTAL GOVERNMENT	21,100	21,100	21,000	0	100
FEDERAL GOVERNMENT	1,600	1,600	1,600	0	0
STATE & LOCAL GOVERNMENT	19,500	19,500	19,400	0	100
State Government 3/	15,600	15,900	15,600	-300	0
Local Government	3,900	3,600	3,800	300	100

1/ In accordance with the CES Manual, those published cells with less than 2,000 employees are rounded to nearest 50. Those published cells with more than 2,000 employees are rounded to 100.
2/ Estimates include all full-time and part-time wage and salary workers who worked or received pay during the pay period which included the 12th day of the month. Self-employed, family workers, household workers and members of the Armed Forces are excluded.
3/ Includes employees of Los Alamos National Laboratory.

AVERAGE HOURS AND EARNINGS
Hours and Earnings of Production, Construction and Nonsupervisory Employees
(Prepared in cooperation with the U. S. Bureau of Labor Statistics)

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
NEW MEXICO	SEP 1987	AUG 1987	SEP 1986	SEP 1987	AUG 1987	SEP 1986	SEP 1987	AUG 1987	SEP 1986
MINING	$494.58	$483.21	$500.19	42.2	41.8	39.2	11.72	11.56	12.76
CONSTRUCTION	$402.60	$407.04	$392.01	36.7	38.4	36.5	10.97	10.60	10.74
MANUFACTURING	$341.72	$344.57	$348.00	38.7	39.2	39.5	8.83	8.79	8.81
Durable Goods	$347.13	$354.31	$349.05	39.9	39.9	39.8	8.70	8.88	8.77
Nondurable Goods	$318.35	$322.50	$344.82	36.3	37.5	38.7	8.77	8.60	8.91
COMMUNICATION & UTILITIES	$584.99	$584.27	$586.04	42.7	42.4	44.6	13.70	13.78	13.14
WHOLESALE & RETAIL TRADE	$234.01	$228.00	$221.90	32.1	32.9	32.3	7.29	6.93	6.87
Wholesale Trade	$450.55	$404.94	$376.77	40.7	39.7	40.6	11.07	10.20	9.28
Retail Trade	$193.37	$195.91	$193.12	30.5	31.7	30.8	6.34	6.18	6.27
BANKING	$223.40	$225.72	$222.91	37.8	38.0	38.7	5.91	5.94	5.76
ALBUQUERQUE MSA	SEP 1987	AUG 1987	SEP 1986	SEP 1987	AUG 1987	SEP 1986	SEP 1987	AUG 1987	SEP 1986
MANUFACTURING	$357.98	$357.75	$355.41	38.7	39.4	39.8	9.25	9.08	8.93
Durable Goods	$375.93	$375.86	$365.82	39.2	39.9	40.2	9.59	9.42	9.10
Nondurable Goods	$303.11	$302.78	$319.49	37.1	37.8	38.4	8.17	8.01	8.32

NOTE: Estimates include all full-time and part-time wage and salary workers who worked or received pay during the pay period which included the 12th day of the month. Self-employed, family workers, household workers and members of the Armed Forces are excluded. The average earnings are "gross" reflecting not only changes in basic hourly and incentive wage rates but also such factors as premium pay for overtime and shift differentials. The work week information relates to the average hours for which pay was received, and is different from standard or scheduled hours due to absenteeism, labor turnover, part time work, overtime work etc.

AREA ECONOMIC ACTIVITY

Statewide: New Mexico lost its bid for the $50 million US West research laboratory when the firm chose Colorado as the site for the facility. Officials disclosed that 14 states were evaluated for the research facility which is expected to employ up to 1,500 persons.

Albuquerque Area: Although a record number of restaurants have opened for business during the first nine months of 1987, a record number of restaurants have also closed during the same period. Figures from the City of Albuquerque Department of Environmental Health show that 219 restaurants have opened since January and 144 have been forced to shut down. Two of the larger restaurants closing recently were the Christorian House and Geronimo's Cadillac, neither of which had been in business more than two years. A new home-improvement center should open in December next to the Price Club on Alexander Boulevard. The center, to be called HomeClub, will include a 103,900-square-foot warehouse and a 10,000-square-foot nursery. HomeClub is expected to employ at least 100 people when completed. Albuquerque is being considered by Sematech for the site of their new research facility. Sematech is an organization supported by both the federal government and the computer chip industry. The facility will be staffed by 700 to 800 researchers and may begin operations in the first quarter of 1988. Sematech officials should make a selection by the end of the year. Construction has started on an Automated Flight Service Station at the Albuquerque International Airport. The station will provide weather and communication data to airlines, general aviation, and the military. The facility will eventually employ about 100 people when it becomes fully operational in the early 1990's.

Alamogordo / Ruidoso Area: The new access road to the Orogrande Strategic Defense Initiative site is almost completed according to officials for Fluor Constructors, the prime contractor for the project. Fluor has spent $4.3 million on the location since May, and plans call for an office building to be built

starting in November. Fluor's administrative offices are currently housed in temporary facilities in Las Cruces, but the firm expects to move its offices to the Orogrande site next May. Construction on the SDI laser project is expected to peak in 1989, when up to 1,100 workers could be employed.

Clovis / Portales Area: The Santa Fe Railway laid off 65 workers in Clovis in September. The railroad has also announced plans to lay off an additional 28 workers in early November. Santa Fe Railway is a major employer in the Clovis area, with approximately 500 workers. Southwest Canners in Portales reduced its payroll by about 10 workers in October in order to cut expenses at the soft drink canning operation.

Espanola Area: Construction should start soon on a new physical education complex at Northern New Mexico Community College. The 28,600-square-foot building will house a gym capable of accommodating 1,800 spectators. The complex will be built at a cost of $2.5 million and take approximately one year to complete. T.A. Cole & Sons of Albuquerque was awarded a $546,000 contract to build a new state office building in Espanola.

Farmington Area: Two auto parts stores have opened in Farmington; one is located at 760 Broadway and the other at 3555 E. Main. The stores are part of a discount auto parts chain called Auto Shack and will employ about ten people each. A new 20-bed rehabilitation center will be built just northeast of the medical center off of Schwarts Avenue. The new $1.6 million, 16,000-square-foot facility will be called Interface and will employ a staff of 25.

Gallup Area: The historic El Rancho Hotel has been purchased by Mr. Armand Ortega, an Arizona jewelry dealer, and plans for the facility call for a reopening for business after some remodeling work. T.A. Cole & Sons of Albuquerque was awarded a $989,000 contract to build the new National Guard Armory in Gallup.

Grants Area: Cox Manufacturing, a furniture maker in Grants, is now employing approximately 30 workers. The firm, which manufactures pine furniture for the wholesale market, has gradually expanded its payroll after moving to the Grants area in July.

Hobbs / Lovington Area: A new Honda car dealership is scheduled to open in November in Hobbs. Honda Southwest is expected to employ about 12 local residents. Lasco Construction is remodeling an existing facility on the Lovington Highway for the new dealership. The Permian Basin had 180 oil rigs working in mid-October, compared to 93 rigs in operation in the same period one year ago. According to Hughes Tool Company, Lea County accounted for 30 of the Basin's operating rigs, Eddy County had 5 rigs, while Chaves County showed 3 rigs operating. Westlake Hardware opened its new store in the former Allwoods Home Center in Hobbs in mid-October. Westlake is employing approximately 30 workers.

Las Cruces Area: Memorial General Hospital will add a cancer treatment center to its facilities in Las Cruces, at a cost of approximately $2 million. The 6,000-square-foot center should be built beginning early next year, according to hospital officials. Work has started on Foothills Center, a 13.6 acre shopping center and office complex on Lohman Avenue in Las Cruces. Northrise Associates is developing the new center. The green chili harvest ended in mid-October, with market prices characterized as "good"; however, approximately one-third of the crop was damaged by heavy rainfall. The red chili harvest will continue until January. Joy Canning Company laid off approximately 380 seasonal food processing workers in mid-October. Bio-recovery Systems, a new Las Cruces firm located in New Mexico State University's Arrowhead Research Park, was awarded a $150,000 Environmental Protection Agency contract to continue research work in the area of metal recovery from industrial wastewater.

Los Alamos Area: Construction will start soon on a $11.2 million Ground Test Accelerator Facility, as part of the Strategic Defense Initiative effort. The 67,000-square-foot building will be used to develop a 100-million-electron-volt beam, which will be able to distinguish real enemy warheads from decoys. The accelerator is scheduled to be fully operational by 1992 and will employ about 100

people. Los Alamos National Laboratory may have to lay off as many as 125 employees unless the Lab's budget for 1988 is revised. Although the budget should get an additional 3.7 percent for a total of $889 million, estimates call for a cut in payroll. The lab will continue its hiring freeze to minimize the number of jobs affected.

Mora Area: A fish hatchery is the latest idea to be presented to Governor Carruthers' Task Force on improving Mora county's economic situation. The county historically has had the highest unemployment rate in the state. Some residents feel that, although the county may not have the facilities required to support a major industry, a fish hatchery would utilize the county's resources, create jobs and increase tourism. The fish hatchery is only one of many recommendations.

Raton Area: Pittsburg and Midway (P&M) company has been chosen from five companies which submitted bids to purchase Kaiser Coal Corporation's New Mexico properties. Kaiser Coal Corp. filed for reorganization under Chapter 11 bankruptcy laws in February and was placed on the market at that time. Bids may have also been submitted on Kaiser's Colorado and Utah properties; the details will not be made public until a final selection has been made and the purchase is completed. P&M's bid will be presented to a federal bankruptcy judge, who will make a decision on the purchase after a 20 day period for objections has been completed.

Roswell Area: Good news continues to come from Transportation Manufacturing Corporation (TMC). The firm will move its engineering and research and development operations to Roswell, which will mean the addition of approximately 40 more employees for the bus manufacturer. TMC is currently employing about 1,000 workers, and another 500 workers will be added when a new intra-city bus plant is in operation next year.

Santa Fe Area: According to Lodgers Tax collections, tourism in Santa Fe was up by 12 to 14% this summer compared to the same period in 1986. The Plaza del Sur, an 80,000-square-foot shopping center next to the Food Emporium, is scheduled to open soon. The property has changed hands several times since construction was started in June of 1985. A 25-000-square-foot shopping center, which will be called Plaza Mercado, will be located at the corner of Galisteo and Water streets. Renovation and expansion of present structures should begin next spring and be completed within a year. A $654,000 contract was given to Donner Plumbing and Heating Inc. of Albuquerque for work on heating and air conditioning systems at the La Villa Rivera state government building in Santa Fe.

Silver City Area: Pharmaceutical Company of New Mexico, a new lip balm manufacturer in Silver City, is currently employing approximately 35 workers. Earlier this year, the firm contracted with W.W. Wrigley Pharmaceutical Company of New York to produce and package its lip balm product. Goldfield Corporation and Cyprus Minerals have entered into a joint venture to operate a small scale silver, gold, and copper mining operation at Pinos Altos. The mining operation is expected to employ 15 workers producing approximately 100,000 tons of ore per year.

Socorro Area: Barnard Construction Company was awarded a $3 million contract from the Bureau of Reclamation to renovate the low flow channel next to the Rio Grande between Socorro and San Antonio.

Taos Area: Taos area developers have applied for a $800,000 "gap financing loan" from the federal government. The money, which will be funnelled through the Town of Taos, will be used to complete the financing of the $7.5 million Don Fernando de Taos hotel. The new 126-room hotel will employ 60-75 people and may return the town as much as $75,000 per year in taxes. Taos Forest Products is attempting to resume operations after a U.S. bankruptcy court approved a reorganization plan. The company, which formerly employed up to 100 people, must secure additional financing before reopening the mill. CDK Construction, a Farmington firm, has begun construction on the new Questa High School. The school should be completed in the summer of 1988.

LABOR SURPLUS AREAS IN NEW MEXICO

The U.S. Department of Labor, Employment and Training Administration recently released its new listing of Labor Surplus areas (LSA's) eligible for federal procurement preference. New Mexico now has 25 counties or municipalities classified as Labor Surplus Areas. Employers located in LSA's can be given preference in bidding on federal procurement contracts. The purpose of providing such preference is to help direct government dollars into areas experiencing high unemployment. Following is the listing of Labor Surplus Areas in New Mexico effective for the period October 1, 1987 through September 30, 1988.

Alamogordo City
Carlsbad City
Balance of Eddy County
Catron County
Cibola County
Colfax County
De Baca County
Farmington City
Balance of San Juan County
Grant County
Guadalupe County
Harding County
Hobbs City
Luna County
McKinley County
Mora County
Quay County
Rio Arriba County
Roswell City
San Miguel County
Sandoval County
Socorro County
Taos County
Torrance County
Valencia County

The Business Service Centers of the U.S. General Services Administration can provide information concerning Federal contracting opportunities. The mailing address and phone number of the Business Service Center responsible for New Mexico are as follows:

Business Service Center
General Services Administration
819 Taylor Street
Fort Worth, TX 76102

(817) 334-3284

****

U.S. CONSUMER PRICE INDEX

	Sep. 1987	Aug. 1987	Sep. 1986	Percent Change Aug.'87-Sep.'87	Percent Change Sep.'86-Sep.'87
CPI-U	344.4	342.7	330.2	+0.5%	+4.3%
CPI-W	339.1	337.4	324.9	+0.5%	+4.4%

Index Base Year 1967 = 100

CPI-U - All Urban Consumers
CPI-W - Urban Wage Earners and Clerical Workers

Source: U.S. Department of Labor, Bureau of Labor Statistics

REPORT ON DROPOUTS IN NEW MEXICO

The following report deals with the problem of student dropouts from the New Mexico public school system during grades nine through twelve. The data represent the state as a whole except where otherwise noted[1] and consists mostly of dropout rates (number of dropouts divided by the sum of the number of students enrolled and the number of dropouts).

Dropouts By School District. Table 1 shows the five New Mexico school districts with the highest number of dropouts during the 1985-86 academic year and the state total. As might be expected due to its large size, the Albuquerque school district is first with 1,355 dropouts out of an enrollment of 22,512. Gallup is second with 498 dropouts out of an enrollment of 3,012 while Santa Fe is third with 448 dropouts out of an enrollment of 2,522.

Table 2 shows the five New Mexico school districts with the highest dropout rates during the 1985-86 academic year and the state total. The school district with the highest dropout rate that year was Dulce (18.66%) followed by Portales (18.03%) and Santa Fe (15.08%).

Two school districts appear on both lists: Santa Fe is third on both lists; Gallup is second in number of dropouts and fifth in dropout rate. These data suggest that the Santa Fe and Gallup school districts may be particularly appealing targets for a pilot study since they appear on both lists.

Table 1
Highest 5 districts by number of dropouts
1985-86 school year

school district	dropouts	members	rate
Albuquerque	1355	22512	5.68
Gallup	498	3012	14.19
Santa Fe	448	2522	15.08
Las Cruces	353	4508	7.26
Alamogordo	240	2468	8.86
State total	5978	74506	7.43

Table 2
Highest 5 districts by dropout rate
1985-86 school year

school district	dropouts	members	rate
Dulce	39	170	18.66
Portales	137	623	18.03
Santa Fe	448	2522	15.08
Mesa Vista	19	114	14.29
Gallup	498	3012	14.19
State total	5978	74506	7.43

Dropouts By Ethnicity And Gender. Table 3 shows the dropout rates in New Mexico high schools by ethnicity for the academic years 1981-82 through 1985-86. The data presented here show that the time trend from 1981-82 to 1984-85 was slightly negative for all ethnicities except Asian. Dropout rates increased for all ethnicities in academic year 1985-86 compared to the prior year.

Table 3
Dropout rates by year and ethnicity

	Year				
Ethnicity	1981-82	1982-83	1983-84	1984-85	1985-86
Asian	6.3	4.6	4.6	5.9	6.4
Anglo	6.8	5.9	5.7	5.2	5.8
Black	7.3	7.0	7.0	6.4	7.0
Hispanic	8.4	7.6	7.9	7.8	8.1
Native Amer.	13.8	12.3	12.3	10.2	12.2

---

1. Source: New Mexico Dropout Study: 1985-86 School Year, Henry Borgrink, New Mexico State Department of Education - Evaluation, Testing and Data Management Unit; January, 1987.

NEW MEXICO LABOR FORCE ESTIMATES 1/

	PRELIMINARY SEPTEMBER 1987				REVISED AUGUST 1987				REVISED SEPTEMBER 1986			
	Labor Force	Empl.	Unemp.	Rate	Labor Force	Empl.	Unemp.	Rate	Labor Force	Empl.	Unemp.	Rate
STATEWIDE	671,823	615,808	56,015	8.3%	673,173	616,143	57,030	8.5%	678,233	617,976	60,257	8.9%
ALBUQUERQUE MSA 2/	256,407	239,683	16,724	6.5%	253,984	237,801	16,183	6.4%	255,169	238,808	16,361	6.4%
LAS CRUCES MSA 3/	55,570	51,417	4,153	7.5%	55,087	50,915	4,172	7.6%	56,886	52,662	4,224	7.4%
SANTA FE MSA 4/	65,250	61,720	3,530	5.4%	67,216	63,647	3,569	5.3%	64,988	61,741	3,247	5.0%
Catron	1,361	1,230	131	9.6%	1,314	1,195	119	9.1%	1,174	1,056	118	10.1%
Chaves	22,013	20,336	1,677	7.6%	22,185	20,469	1,716	7.7%	22,497	20,421	2,076	9.2%
Cibola	8,783	7,608	1,175	13.4%	8,890	7,617	1,273	14.3%	8,601	7,113	1,488	17.3%
Colfax	6,759	6,053	706	10.4%	7,489	6,728	761	10.2%	6,884	6,083	801	11.6%
Curry	16,735	15,384	1,351	8.1%	16,856	15,583	1,273	7.6%	17,728	16,344	1,384	7.8%
De Baca	936	867	69	7.4%	970	885	85	8.8%	1,030	922	108	10.5%
Eddy	20,447	18,167	2,280	11.2%	20,504	18,115	2,389	11.7%	22,320	19,184	3,136	14.1%
Grant	9,973	9,073	900	9.0%	9,962	9,046	916	9.2%	9,692	8,610	1,082	11.2%
Guadalupe	1,654	1,454	200	12.1%	1,725	1,472	253	14.7%	1,675	1,480	195	11.6%
Harding	465	409	56	12.0%	493	442	51	10.3%	493	449	44	8.9%
Hidalgo	2,389	2,226	163	6.8%	2,385	2,235	150	6.3%	2,560	2,394	166	6.5%
Lea	22,283	20,168	2,115	9.5%	22,461	20,209	2,252	10.0%	25,183	21,368	3,815	15.1%
Lincoln	7,851	7,424	427	5.4%	8,138	7,725	413	5.1%	8,205	7,684	521	6.3%
Luna	5,983	5,262	721	12.1%	6,006	5,199	807	13.4%	5,955	5,212	743	12.5%
McKinley	16,884	14,808	2,076	12.3%	17,087	14,858	2,229	13.0%	17,168	14,889	2,279	13.3%
Mora	1,271	925	346	27.2%	1,303	921	382	29.3%	1,262	836	426	33.8%
Otero	17,852	16,454	1,398	7.8%	17,758	16,366	1,392	7.8%	17,635	16,392	1,243	7.0%
Quay	4,517	4,137	380	8.4%	4,426	4,086	340	7.7%	4,633	4,226	407	8.8%
Rio Arriba	13,340	11,122	2,218	16.6%	13,577	11,252	2,325	17.1%	12,960	10,720	2,240	17.3%
Roosevelt	7,253	6,849	404	5.6%	6,577	6,162	415	6.3%	7,434	7,060	374	5.0%
Sandoval	23,676	21,733	1,943	8.2%	23,701	21,726	1,975	8.3%	23,004	20,999	2,005	8.7%
San Juan	33,752	28,873	4,879	14.5%	34,143	28,919	5,224	15.3%	35,413	29,738	5,675	16.0%
San Miguel	9,791	8,614	1,177	12.0%	10,056	8,781	1,275	12.7%	9,869	8,711	1,158	11.7%
Sierra	2,533	2,376	157	6.2%	2,526	2,344	182	7.2%	2,530	2,370	160	6.3%
Socorro	5,714	5,190	524	9.2%	5,719	5,211	508	8.9%	5,859	5,323	536	9.1%
Taos	9,802	7,601	2,201	22.5%	10,147	7,703	2,444	24.1%	9,330	7,144	2,186	23.4%
Torrance	3,264	2,940	324	9.9%	3,232	2,906	326	10.1%	3,151	2,823	328	10.4%
Union	2,061	1,909	152	7.4%	2,055	1,907	148	7.2%	2,118	1,967	151	7.1%
Valencia	15,254	13,796	1,458	9.6%	15,201	13,718	1,483	9.8%	14,827	13,247	1,580	10.7%

1/ All estimates are made in strict accordance with methodology provided by the U. S. Department of Labor, Bureau of Labor Statistics

2/ Metropolitan Statistical Area - Bernalillo County

3/ Metropolitan Statistical Area - Dona Ana County

4/ Metropolitan Statistical Area - Santa Fe and Los Alamos Counties

New Mexico Department of Labor
Economic Research and Analysis (CC 6097)
P.O. Box 1928
Albuquerque, New Mexico 87103

JOB SERVICE

U.S. MAIL

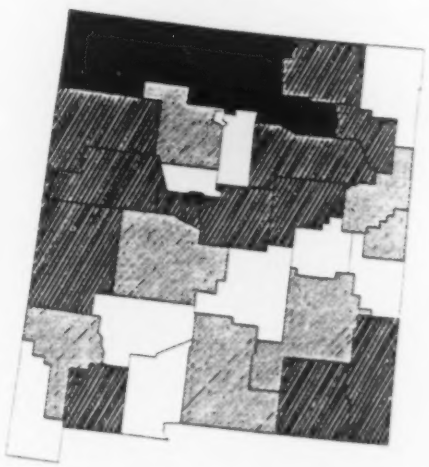
POSTAGE AND FEES PAID
EMPLOYMENT SECURITY MAIL
LAB 449

Official Business
Penalty for Private Use, $300

FIRST CLASS MAIL

Congressional Info. Servi
CRI
4520 East-West Highway
Bethesda, MD 20814

New Mexico
Unemployment Rates by Area
September 1987



Legend

- 5.4 to 7.6
- 7.6 to 9.5
- 9.5 to 13.5
- 13.5 to 28.2